

SFY 2007 NC HEALTH CHOICE COUNTY ADMINISTRATION FUNDING ESTIMATES

Since October 1998, families whose incomes exceed NC Medicaid limits and who either do not have access to health insurance through their employers or who cannot afford to purchase such insurance to cover their children may obtain comprehensive health care for their children, up to age 18, through NC Health Choice for Children at no cost or a reduced cost. In the 2006 Session, the General Assembly approved legislation that entitles children age five and under to Medicaid provided their family incomes do not exceed 200% of the Federal Poverty Level and they meet all other Medicaid eligibility requirements. This legislation was enacted for the purpose of shifting the NCHC children in that age group from NCHC to Medicaid so that the limited Federal Health Choice funds may be used to support continued growth in the NCHC population of children age 6 to 18. NCHC, like Medicaid, is administered by the State and eligibility for coverage is determined by the Counties.

NC Health Choice services and administration are funded by Federal and State dollars. The Enhanced Federal Medical Assistance Percentage (EFMAP) for the program will be 74.98% in SFY 2007, resulting in the State funding 25.02% of the costs. The General Assembly has limited State funding to support County NCHC administration to \$353,784 in SFY 2007. These State funds will be used to match \$1,060,221 of Federal funds to provide a total of \$1,414,005 to reimburse Counties for expenditures for NCHC eligibility determination.

The schedule included with this document contains the estimated amount each County will be allocated of the total of \$1,414,005 available in SFY 2007 to support administrative costs incurred for eligibility determination. To the extent federal funds are available, County Departments of Social Services may claim Enhanced FMAP for allowable costs incurred in excess of the amount supported by State funds. At this time, it is not known whether additional Federal funds will be available to support costs that exceed the estimated allocations. The estimates were developed using actual SFY 2005 transactions, by county, as a basis for distribution.